

WASHINGTON POST

DATE 23 June 1978

PAGE A1

Hec

House Votes Cut In Aid to Korea As Retaliation

Hill Study Faults U.S. Intelligence

By Charles R. Babcock
Washington Post Staff Writer

American intelligence agencies ignored, fumbled and at times deliberately withheld significant information about illegal activities by the Korean Central Intelligence Agency here in the early 1970s, according to a Senate study.

And when they did pass on reports of Korean lobbying, other federal officials failed to take action, the study found.

The year-long investigation by the Senate Intelligence Committee found no evidence of an intentional cover-up by executive branch officials. But Sen. Adlai Stevenson (D-Ill.), a member of the committee, said yesterday that the committee review of U.S. intelligence reports uncovered a number of "suspicious circumstances."

The report noted:

- An instance in 1971 where U.S. intelligence officers, presumably from the CIA station in Seoul, were forbidden by headquarters to brief the American ambassador about Korean lobbying.

Furthermore, the officers were told their detailed reports on the Korean lobbying were not being passed on to State Department officials and they were given no orders to develop additional intelligence. "My reports met with absolute silence," one of the officers said.

In addition, the overseas officers themselves didn't send all their information in reports to headquarters. On one occasion, information identifying Washington businessman Tongsun Park as being completely controlled by a certain KCIA officer was mentioned by the field only as "an interesting sidelight."

U.S. intelligence officers rou-

See KCIA, A4, Col. 1

tinely met with Tongsun Park over the years, at times considered making him an "asset" and once proposed making his George Towne Club an operational base. Park recalled getting a case of liquor from the CIA station chief in Seoul, and two former intelligence officers were once in business with him.

Despite periodic reports about Park's lobbying and cash payments to members of Congress, there was no evidence that any of the U.S. intelligence operatives ever asked Park, or were ordered to find out, about his "activities on behalf of the government of South Korea."

- Twenty-five different highly-classified documents that were distributed to U.S. policymakers are unaccounted for, and CIA Director Stansfield Turner and Attorney General Griffin B. Bell have been informed of the mysterious disappearances.

One of the missing documents, a copy of which was found at the FBI, reports on a 1971 incident in which a person thought to be on President Nixon's campaign staff was said to be negotiating a secret foreign aid grant to Korea, for which U.S. officials would receive kickbacks.

Then-Attorney General John N. Mitchell and Assistant Attorney General Robert C. Mardian saw the reports but no investigation was made other than determining that the individual wasn't with the campaign.

Mardian explained that he thought the report was a hoax. Both men denied their decisions in the case were affected by the knowledge any investigation would require looking into the alleged kickback negotiations by the purported Nixon campaign aide.

U.S. intelligence also picked up a report that the KCIA was concerned that Republican Party officials might seek retribution because of a donation of several hundred thousand dollars from the Korean government to the Democratic Party in 1968.

The 50-page Senate study shows that intelligence reports in 1972 confirmed the earlier information about the large contributions to the Democratic presidential campaign. The Washington Post reported earlier this year that the intelligence reports said \$400,000 was donated. Democratic officials have denied it.

The Senate report is replete with other examples of reports that weren't passed on or weren't acted on. "The intelligence agencies' dissemination

of the information was unfocused, haphazard and without useful analysis," the report said.

It wasn't until 1975 that new information—apparently from National Security Agency intercepts of Korean embassy cable traffic—led to a comprehensive review of the mass of scattered evidence and a Justice Department investigation, the report said.

The committee concluded that some of the information that was distributed "was of sufficient significance to have merited earlier action." The action was not adequate, the report said.

The Senate report offers only a general explanation for the intelligence community's failure to take more decisive action in warning other executive branch agencies, such as the State and Justice departments, about the illegal KCIA activities. It said the intelligence agencies were busy keeping track of hostile intelligence agents in the United States. And it implied the agencies were concerned about retaliation against their own operations in Korea if strong action was taken.

"They [American intelligence agencies] just didn't seem to want to get involved," Stevenson said. "They'd tell us, 'It's all we can do to keep up with the KGB [the Soviet intelligence agency].'"

The committee added a caveat to its study, saying it assumed the reliability of the human sources used in the reports. It is making a separate study on the reliability of such information, the report said.

The report recommended that U.S. agencies formulate new policies to insure adequate coverage of "friendly" intelligence agencies, and that the director of central intelligence insure that all reports of foreign intelligence activities in the United States are assessed and transmitted promptly to the FBI, the secretary of state and the president's national security adviser.

The South Korean CIA "case study" shows finally, the report said, that the United States might want to establish informal rules limiting allies' activities in each other's territory.